IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX APPEAL NO.843 OF 2004

The Commissioner of Income Tax .. Appellant.

V/s.

Kumbhi Kasari SSK Ltd., .. Respondent.

Mr.B.M. Chatterjee with Mrs.P.P. Bhosale i/by Pankaj Kapoor for the appellant.

Mr.S.N. Inamdar with Mr.A.K. Jasani for the respondent.

CORAM : F.I. REBELLO &
J.P. DEVADHAR, JJ.

DATED : 16TH JULY, 2007.

P.C. :

1. Admit. Heard forthwith.

2. The issue in this appeal is covered by the judgment of the Supreme Court in the case of Siddheshwar Sahakari Sakhar Karkhana Limited V/s. CIT and CIT V/s. Shri Chatrapati Sahakari Sakhar Karkhana Limited reported in [2004] 270 ITR 1 (SC) as followed by this Court in the case of CIT V/s. Malegaon Sahakari Sakhar Karkhana Limited reported in [2005] 279 ITR 19 (Bom).

3. The question of law as formulated in this appeal reads as under :

Whether on the facts and in the circumstances of the case and in law, the Tribunal, relying on the decision of Chhatrapati SSK Ltd. [245 ITR 498 (Bom)] has erred in deleting the following additions by holding that the various funds collected by the assessee society out of the sugar cane purchase price payable to the cane growers are ot trading receipts of the assessee.

i]	Chief Minister's Relief fund	Rs. 5,33,282
ii]	Area Development fund	Rs.16,74,142
iii]	Cane Development Fund	Rs.22,89,115
iv]	Small savings	Rs. 5,33,231

4. In view of the aforesaid judgments, insofar as item No.ii and iii are concerned, the appeal is remanded back to the Tribunal for denovo consideration in accordance with law.

4. Insofar as item Nos.i, and iv are concerned, they are to be treated as 'not income in the hands of the assessee'.

5. Impugnmed order, to that extent, is set aside. The appeal is partly allowed. There shall be no order as to costs.

(F.I. REBELLO, J.)

(J.P. DEVADHAR, J.)